



Republican Policy Committee

Don Nickles, Chairman Kelly Johnston, Staff Director 347 Russell Senate Office Building (201) 224-1235 May 22, 1995

Principles of the Republican Budget

In S.Con. Res. 13, the Senate Budget Committee applied several principles to federal spending as it evaluated the budget and laid out a path to balance by fiscal year 2002. According to the committee report, those principles include:

- **PROTECT AND PRESERVE PROGRAMS THAT PROVIDE INCOME SECURITY FOR OUR SENIOR CITIZENS**
 - ▶ Social Security spending remains unchanged.
 - ▶ Cost-of-living-adjustments for all federal pension programs were not changed.
 - ▶ Medicare is saved from bankruptcy while spending on the program continues to grow by an average 7.1 percent per year.
- **BEGIN DEFICIT REDUCTION IN THE GOVERNMENT'S OWN BACKYARD**
 - ▶ Pay is frozen for members of Congress, federal judges, and senior civil servants until the budget deficit reaches zero.
 - ▶ Senate committee staff is cut 15 percent.
 - ▶ Senate support staff is cut 12.5 percent.
 - ▶ The General Accounting Office is cut 25 percent.
 - ▶ The Office of Technology Assessment is eliminated.
 - ▶ The Executive Office of the President is cut 25 percent.
- **DEVOLVE FEDERAL PROGRAMS TO STATES**
 - ▶ Numerous federal health, transportation, education and other welfare programs are consolidated.
 - ▶ Responsibilities for many programs are block granted to the states.
- **REDUCE THE SIZE OF THE FEDERAL GOVERNMENT**
 - ▶ More than 100 federal programs, agencies, and commissions are terminated or phased out.
 - ▶ The Department of Commerce is phased out.
 - ▶ The Office of Personnel Management is phased out.

- **PRIVATIZE PUBLIC PROGRAMS THAT COULD BE BETTER RUN AS COMMERCIAL ENDEAVORS**
 - ▶ The air traffic control system is privatized.
 - ▶ Sallie Mae is privatized.
 - ▶ The naval petroleum reserve and the uranium enrichment corporation are privatized.
- **PROTECT NATIONAL SECURITY AND THE PEOPLE'S SECURITY**
 - ▶ The Budget Committee adopted the President's defense plan, which adds \$25 billion to defense spending.
 - ▶ FBI, INS, and DEA funding increases.
 - ▶ The Violent Crime Reduction Trust Fund is fully funded.
- **REFORM FEDERAL ASSISTANCE PROGRAMS**
 - ▶ The federal welfare system is overhauled.
 - ▶ The federal food stamp program is reformed, and benefits are tied to the rate of growth in food inflation.
 - ▶ Spending on feeding programs is targeted to low-income families.
 - ▶ The child support enforcement program is increased.
- **CONTROL THE GROWTH OF PUBLIC HEALTH CARE EXPENDITURES**
 - ▶ The Medicare system is preserved, protected, and improved.
 - ▶ Incentives are introduced into the federal health benefits system to reduce the cost of health care.
- **REDUCE SPENDING ON CORPORATE SUBSIDIES**
 - ▶ Subsidies to underwrite agriculture, trade, energy, and transportation industries decline one-third from their current \$27 billion annual total.

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